



SHYAM CENTURY FERROUS LIMITED



Annual Report 2021-22



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Or simply scan to download



## Investor Information

### Market Capitalisation

as at 31<sup>st</sup> March, 2022 : ₹ 55,098.90 Lakhs

CIN : L27310ML2011PLC008578

BSE Code : 539252

NSE Symbol : SHYAMCENT

Bloomberg Code : SCFL:IN

AGM Date : 27<sup>th</sup> September, 2022

AGM Venue/Mode : Video Conferencing

**Disclaimer:** This document contains statements about expected future events and financials of Shyam Century Ferrous Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



# PURPOSE. PASSION. PERFORMANCE.

A business's **PURPOSE** is to create value and cater to customers' needs. And this purpose is driven by a **PASSION** for delivering on promises, commitments, and expectations.

When purpose and passion come together, we see goals and objectives being achieved, it enhances **PERFORMANCE** in a way that benefits everyone, right from the Company's stakeholders to the Company itself. At Shyam Century Ferrous Limited, we set a purpose of creating value while providing returns to our stakeholders within their best interest, and we have been passionately putting efforts into this direction. We have consistently worked hard, as reflected in our robust operating performance, which is also helping us reduce costs. This performance and value creation & addition is backed by our strategies and agility that aim for nothing but excellence in everything we do. We are progressing and improving our profitability with each passing year, standing true to our commitment of

**PURPOSE.**  
**PASSION.**  
**PERFORMANCE.**



# MESSAGE FROM THE MANAGING DIRECTOR'S DESK

WE PERSISTENTLY KEPT STRENGTHENING OUR CAPABILITIES WHILE CREATING VALUE FOR OUR STAKEHOLDERS. EVEN AMID A TOUGH AND CHALLENGING YEAR, WE EARNED OUR HIGHEST EVER REVENUE & PROFIT.

## Dear Shareholders,

I am delighted to share that Shyam Century Ferrous Limited (SCFL) achieved its best-ever performance in FY 2021-22, despite a challenging environment. After a 6.6% contraction in FY 2020-21, the Indian GDP rebounded at an estimated 8.7% in FY 2021-22, reaching a new high in the first quarter. The improved economic performance was the result of a rapid and large-scale vaccination drive, relaxation in curbs caused by the pandemic, massive fiscal support, robust consumer spending and improved business activities. China's annual crude steel production fell for the first time in six years in 2021, retreating from the recorded levels in 2020. The country is striving to contain emissions in its mammoth ferrous sector which has elevated steel and other metal prices, globally. Also, energy crisis has impacted China's overall production. With power curbs intensifying across key industrial provinces, aluminium and steel prices have been spluttering from months. While we continue navigating the pandemic with resilience, the war in Ukraine has triggered another crisis and brought before us numerous other challenges in the form of strained geopolitical and trade relations. The ongoing geopolitical conflict has put oil prices on fire, and the resultant global inflation and continuing supply shortages are expected to adversely impact the global GDP growth for FY 2022-23.

## Achieving Operational Efficiency

The fiscal year saw a rapid hike in raw material costs, logistical issues, and coke and coal shortages because of higher rainfall, which remains a key concern. Despite these headwinds, the business showcased highest-ever revenue and profits, led by higher demand and growing

prices of ferro silicon. To achieve this result, we undertook several measures, including optimising our input costs by systematically planning the purchase of the raw materials we bought before the price hike and thus adopting leaner measures. Further, we passed the raw material hikes on to the customers in a phased manner. This helped us increase our margins as well. To manage the supply chain issue, we maintained a healthy relationship with our logistical partner and ensured timely raw material delivery.

## Enhancing Capacities and Capabilities

Despite the pandemic, we have consistently maintained our growth trajectory. The market is witnessing robust and growing demand for ferro silicon. To cater this growing demand, we are increasing our capacity utilisation. During the last few years, the market experienced a sluggish pace, so we haven't utilised our third furnace. With this demand picking up pace now, we will commence our third furnace and increase our capacity utilisation to cater the growing demand for Ferro Steel. Operation in the third furnace will begin from the second quarter of FY 2022-23 after the ongoing repair and maintenance work is completed. This addition to our capacity will therefore, lead us to higher revenues and better profitability.

## Robust Financial Performance

Despite a difficult economic year, we managed to clock better financial metrics. We attribute these results to the business' higher sales in catering the growing demand, and our employees' tremendous hard work. They are the people who have helped us to drive through swiftly, delivering excellent performance. Even amid all the challenging conditions, we managed higher revenues, EBITDA levels

and even better margins during the year. We accredit this improvement to better operating leverage of our plants coupled with higher price realisations. Our Company has also strengthened the business' liquidity position, and cash and bank balance increased by 40%, helping us in becoming well-prepared to face challenges. We remained debt-free during the financial year and thus, showcased the strength of our balance sheet backed by an impressive overall performance.

Let me share some of the highlights of our financial performance during the FY 2021-22:

- Revenue from operations stood at ₹ 20,736 Lakhs in FY 2021- 22 against ₹ 12,762 Lakhs in the previous year – indicating a growth of 62%
- EBITDA for FY 2021-22 stood at ₹ 7,910 Lakhs, registering a growth of 272% over the previous year
- Net profit was recorded at ₹ 5,686 Lakhs in FY 2021-22, while in FY 2020-21 the Net profit stood at ₹ 280 Lakhs
- Return on Capital Employed (ROCE) was clocked at 41%, compared to 9% in the previous year – an increase of more than 275%

## Outlook

The demand for the Indian metal sector is growing strong, and it is expected that in the coming year, the demand for ferro silicon will be higher due to growing steel consumption. To cater for this growing demand, we are initiating operations for utilising our third furnace towards

better capacity utilisation. The Government is also on infrastructure development and towards manufacturing facilities which will further provide us the cushion to perform better and cater for the industry's growing demand.

## Acknowledgment

The year FY 2021-22 for SCFL has been most successful and profitable. This was primarily due to our employees' hard work and commitment who consistently implemented our purpose and strategy. Our loyal customers, suppliers, shareholders, other Investors and financiers played a critical role in helping us reach new heights of success. I deeply thank all our stakeholders for their continued support and our employees' contributions over the years.

With Regards,

**Aditya Vimalkumar Agrawal**

Managing Director

# CORPORATE INFORMATION

CIN : L27310ML2011PLC008578

## Board of Directors

**Mr. Aditya Vimalkumar Agrawal**

Managing Director

(w.e.f. 01<sup>st</sup> November, 2021)

**Mr. Sajjan Bhajanka**

Director

(Upto 01<sup>st</sup> November, 2021)

**Mr. Rajesh Kumar Agarwal**

Director

**Mr. Sumanta Kumar Patra**

Whole-time Director & CEO

(Whole-time Director w.e.f. 17<sup>th</sup> May, 2022)

**Mr. Pramod Kumar Shah**

Independent Director

**Mr. Nirmalya Bhattacharyya**

Independent Director

(w.e.f. 01<sup>st</sup> April, 2021)

**Mrs. Plistina Dkhar**

Independent Director

**Mr. Venkata Krishna Nageswara Rao Majji**

Independent Director

(w.e.f. 01<sup>st</sup> November, 2021)

upto 28<sup>th</sup> February, 2022)

## Auditors

**M/s. D. K. Chhajer & Co.**

Chartered Accountants

Nilhat House,

11, R. N. Mukherjee Road,

Kolkata – 700001

## Chief Financial Officer

**Mr. Uday Bahadur Chetri**

(w.e.f. 09<sup>th</sup> June, 2021)

## Company Secretary

**Mrs. Neha Agarwal**

(Upto 26<sup>th</sup> May, 2022)

**Mrs. Ritu Agarwal**

(w.e.f. 27<sup>th</sup> May, 2022)

## Bankers

HDFC Bank Limited

## Registered Office

VIII: Lumshnong, P.O. Khaliehriat

Dist: East Jaintia Hills

Meghalaya – 793210

## Works

Ferro Alloy & Power Plant

EPIP, Raja Bagan,

Byrnihat – 793101

Ri-Bhoi, Meghalaya

## Corporate Office

Century House, 2<sup>nd</sup> Floor,

P 15/1, Taratala Main Road,

CPT Colony, Taratala, Kolkata – 700088

Phone: +91-33 24015555

Email: investors@shyamcenturyferrous.com

Website: www.shyamcenturyferrous.com

## Registrars & Share Transfer Agents

Maheshwari Datamatics Private Limited

23, R. N. Mukherjee Road, 5<sup>th</sup> Floor,

Kolkata – 700001

# DIRECTORS' REPORT & MANAGEMENT DISCUSSION ANALYSIS

Dear Shareholders,

Your Directors have pleasure in presenting the Eleventh Annual Report of the Company together with the Audited Balance Sheet as at 31st March, 2022 and the Statement of Profit & Loss for the year ended on that date.

## FINANCIAL PERFORMANCE

The highlights of the financial performance of the Company for the financial year ended 31st March, 2022 as compared to the previous financial year are as under:-

(₹ in Lakhs)		
Particulars	FY 21-22	FY 20-21
Total Income	21,250.46	13,568.06
Profit before Depreciation, Interest and Tax and exceptional item	7,910.52	2122.40
Depreciation	209.12	186.30
Interest and Finance Charges	63.19	79.58
Exceptional items	-	1,719.63
Profit/Loss Before Tax	7,638.21	136.89
Tax Expenses:		
-Current Tax	1,812.53	-
-Income Tax for previous years	1.45	(1.99)
-Deferred Tax	137.81	(141.32)
Profit/Loss after Tax	5,686.42	280.20
Other comprehensive income for the year, net of tax	1.68	1.01
Total comprehensive income for the year	5,688.10	281.21

- Previous years figures were rearranged and regrouped wherever necessary.

## FERRO ALLOY BUSINESS - INDUSTRY AT A GLANCE

India stood second position in production of crude steel. As per data available Country's production of crude steel and finished steel recorded at 98.39 MT. and 92.82 MT. respectively.

With the growing industrialisation and aggressive urbanisation movement of the Government, the crude steel production of the country is estimated to increase by 18% to reach 120 Mn tonnes.

The growth in the Indian steel sector has been driven by the domestic availability of raw materials low cost labour. Ferro alloy business of the country depends on growth of the steel industry. Country's ferro alloy business has potentiality to develop. With massive infrastructure need and expansion of steel production country's ferro alloy industry is having huge prospect.

Indian ferro alloys is very much preferred in the World therefore, its growth prospect is very high. As per report of Steelworld the industry is estimated to grow at CAGR of 5.9% between 2017-2025, however, impact of Covid may defer the estimated growth. Low-cost manpower and easy availability of quartz/mn ore reserves made India competitive in international market.

In Financial year 21-22 Country's production of crude steel and finished steel stood at 98.39 MT. and 92.82 MT., respectively. According to CARE Ratings, crude steel production is expected to reach 112-114 MT. (Mn tonnes).

The consumption of finished steel stood at 86.3 MT. in FY 21-22. The demand for steel is expected to increase by 17% to 110 Mn tonnes, driven by rising construction activities.

During the year inspite of covid impact, country's ferro alloy prices witnessed significant price gains. High demand from steelmakers along with supply shortages in numerous markets specially from China as well as freight and transportation issues, continued to push prices higher.

Government's various initiative like implementation of National Steel Policy in 2017, Steel scrap Recycling Policy helped to reduce import of steel thereby conserving foreign exchange reserves, Atmanirbhar Bharat initiatives contributing for development of the sector. National Steel Policy foresees 300 Mn tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030-31. The Ministry of Steel prepared a draft policy framework for development of steel clusters in the country. In October 2021, the Government announced guidelines for the approved specialty steel production-linked incentive (PLI) scheme. Under the Union Budget 2022-23, the Government allocated ₹ 47 Crore to the Ministry of Steel. The budget's focus is on creating infrastructure and manufacturing to propel the economy. The Government of India raised import duty on most steel items twice, each time by 2.5% and imposed measures including anti-dumping and safeguard duties on iron and steel items which will help to improve domestic players. Steel & Petroleum & Natural Gas Ministry launched

'Mission Purvodaya' to accelerate the development of the Eastern States of India e.g., Odisha, Jharkhand, Chhattisgarh, West Bengal and the northern part of Andhra Pradesh through establishment of an integrated steel hub in Kolkata, West Bengal. Eastern India which is having potential to add 75% of the country's incremental steel capacity. It is expected to reach at 300 MT. capacity by 2030-31 and out of which 200 MT. can be generated from Eastern Region only.

Your Company continued to focus on its fundamental strength i.e., productivity and quality. Strong emphasis were given on reduction of cost, utilisation of internal efficiencies together with an improvement in the product mix which enabled your Company to withstand inflationary pressures on costs and profitability.

During the year under review, your Company has sold 14,546 MT. of Ferro Silicon as against 14,478 MT. recorded in previous year. Prices of ferro silicon was increased therefore sales realisation was also increased and cost control measures adopted by the Company helped to record a highest ever profit during the year. Your Company produced 14,955 MT. of Ferro Silicon during the year under review as against 14,124 MT. recorded in the Financial Year 2020-21. While your Company constantly strives to increase stakeholder's value, emphasis continues to be on delivering value to customers and strengthening processes while driving sustainable practices, resulting into expanding customer base.

### **POWER BUSINESS**

During the year under review, due to non-availability of coal, your Company focused on purchasing power therefore has not generated any power like previous year.

### **OPPORTUNITIES & THREATS, RISKS AND CONCERNS**

Performance of the Company depends on the continued demand of our products in the steel and stainless steel industry. Ferro Silicon market in India is subdued for quite a period of time. Highest consumption of Ferro Silicon seen in Stainless Steel Sector followed by Mild Steel Sector. Government's various initiatives to liberalise industrial policy, approval of National Steel policy and policy on 'Make in India' and other infrastructural initiatives taken are expected to push the demand of ferro silicon.

Challenges being faced by the domestic companies due to short availability of raw materials and very high power cost, lack of infrastructural facilities for easy transportation of raw materials to the location affects the sector. Policy of the Government, regulatory changes and force majeure events may also affect the development of domestic industry.

Despite all threats, Indian Ferro alloy industry has tremendous growth prospect due to low per capital steel production, rapid industrialisation, urbanisation, infrastructural development, thriving automobile and railway sectors and other Government initiatives.

The Company has evolved a risk management framework to identify, assess and mitigate the key risk factors of the business. The Board of the Company is kept informed about the risk management of the Company.

### **PERFORMANCE AND OPERATIONS REVIEW**

During the year under review, on a full year basis, the Company has posted total revenue of ₹ 21,250.46 Lakhs and Profit before Tax of ₹ 7,638.21 Lakhs in FY 21-22 as against ₹ 13,568.06 Lakhs and ₹ 136.89 Lakhs respectively during the previous financial year. Your Company produced 14,955 MT. of Ferro Silicon during the year under review as against 14,124 MT recorded in the Financial Year 2020-21.

### **SHARE CAPITAL**

The paid up Equity Capital as on 31st March, 2022 was ₹ 2,221.73 Lakhs. During the year under review, the Company has neither issued any shares with differential voting rights nor granted stock options or sweat equity shares.

### **SHARES IN SUSPENSE ACCOUNT**

Disclosures of the shares lying in Company's Unclaimed Shares Suspense Account are given in the Report of Corporate Governance.

### **ANNUAL RETURN**

In terms of requirement of section 134 (3) (a) read with Section 92(3) of the Companies Act, 2013, the Annual return of the Company has been placed on the Company's website and can be accessed at the web link: <http://shyamcenturyferrous.com/wp-content/uploads/2022/07/Annual-Return-2021-22.pdf>

### **MEETINGS OF THE BOARD**

During the year, Four (4) Board Meetings and Four (4) Audit Committee meetings were convened and held on 9th June, 2021, 13th August, 2021, 01st November, 2021 and 25th January, 2022. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The details of the Board Meeting are provided in the Corporate Governance Report.

### **MEETINGS OF INDEPENDENT DIRECTORS**

During the year under review, meeting of Independent Directors was held on 25th March, 2022 wherein the performance of the Non-Independent Directors and the Board as a whole was reviewed. The Independent Directors at their meeting also, inter alia, assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors of the Company.



## COMMITTEES OF THE BOARD

The composition and terms of reference of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Finance Committee have been furnished in the Corporate Governance Report forming part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee and Nomination and Remuneration Committee.

## WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has formed a Whistle Blower Policy/ Vigil Mechanism as required under Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimisation of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The said policy may be referred to at the Company's website at the [http://shyamcenturyferrous.com/wp-content/uploads/2021/09/SCFL\\_Whistle-Blower-Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2021/09/SCFL_Whistle-Blower-Policy.pdf)

## POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES

The Board has framed a Remuneration Policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Employees. The remuneration policy aims to enable the Company to attract, retain and motivate highly qualified members for the Board and at other executive levels. The remuneration policy seeks to enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholders' interests, industry standards and relevant Indian corporate regulations. The details on the same are given in the Corporate Governance Report. The said policy may be referred to at the Company's website at the web link: [http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL\\_Remuneration-Policy.pdf](http://shyamcenturyferrous.com/wp-content/uploads/2019/04/SCFL_Remuneration-Policy.pdf)

## CODE OF CONDUCT

With intent to enhance integrity, ethics & transparency in governance of the Company your Company had adopted a Code of Conduct for Directors and Senior Management Personnel. The Code has been displayed on the Company's website [www.shyamcenturyferrous.com](http://www.shyamcenturyferrous.com)

## COMPLIANCE WITH THE SECRETARIAL STANDARD AND INDIAN ACCOUNTING STANDARDS

The Company has complied with the applicable Secretarial Standards as recommended by the Institute of Company Secretaries of India. The Company has also complied with all relevant Indian Accounting Standards (Ind AS) referred to in section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 while preparing the financial statements.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirement of Section 134 (3) (c) read with section 134 (5) of the Companies Act, 2013, the Directors hereby confirm and state that:

- In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures, if any.
- The Directors have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the profit of the Company for the year under review.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the annual accounts on going concern basis.
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

## AUDITORS & AUDITORS' REPORT

M/s. D.K. Chhajer & Co, Chartered Accountants (Firm Registration no. 304138E) Statutory Auditors of the Company, have been appointed by the members at the Tenth Annual General Meeting and shall hold office for a period of 5 years from the date of such meeting held on 30th September, 2021.

The notes to the accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments.

**COST AUDITORS**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its manufacturing activity is required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064) as Cost Auditors of the Company for the financial year ended 31st March, 2022 in the Board Meeting held on 09th June, 2021. The remuneration proposed to be paid to them for the Financial year 2021-22, as recommended by audit committee, was ratified in the meeting of shareholders held on 30th September, 2021.

The Board of Directors of the Company on the recommendation of the Audit Committee, appointed M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration number 000064), as the Cost Auditors of the Company for the Financial Year 22-23 under section 148 of the Companies Act, 2013. M/s. B. G. Chowdhury & Co. have confirmed that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under section 141(3). The Audit Committee has also received a Certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to M/s. B. G. Chowdhury & Co., Cost Auditors for the Financial year 22-23 is included in the Notice convening the Annual General Meeting.

The cost audit report for the Financial Year 2020-21 was filed with the Ministry of Corporate Affairs on 22nd October, 2021.

**SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. MKB & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith marked **Annexure-1**. The report is self-explanatory and do not call for any further comments.

**REPORTING OF FRAUD**

The Auditors of the Company have not reported any fraud as specified under section 143(12) of the Companies Act, 2013.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review, your Company has not made any investment or provided guarantee or security in

connection with a loan to any person exceeding the limit specified in Section 186 of the Companies Act, 2013.

Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**RELATED PARTY TRANSACTIONS**

All related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. In terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, there were no material contract or arrangement entered into by the Company with related parties as referred to in Section 188. Therefore, disclosure in Form AOC-2 is not applicable. However, the details of the transactions with the Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval has been obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

A policy on 'Related Party Transactions' has been devised by the Company which may be referred to at the Company's website at the web link <http://shyamcenturyferrous.com/wp-content/uploads/2022/06/SCFL-Revised-Related-Party-Policy.pdf>

**RESERVES**

During the year under review no amount was transferred to reserves.

**DIVIDEND**

The Board of Directors of your Company after considering holistically the relevant circumstances and in order to conserve resources for future plans has decided that it would be prudent, not to recommend any Final Dividend for the Financial Year 2021-22 (Previous year NIL).

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated in section 134 (3) (m) of the Act and rules framed there under is mentioned below: